

Message Text

CONFIDENTIAL

PAGE 01 NEW DE 06799 211417Z

51

ACTION IO-10

INFO OCT-01 AF-06 EUR-12 EA-06 NEA-10 ISO-00 IOE-00 ERDA-05

OES-03 FEA-01 ERDE-00 AGR-05 CEA-01 CIAE-00 COME-00

DODE-00 EB-07 FRB-03 H-02 INR-07 INT-05 L-02 LAB-04

NSAE-00 NSC-05 PA-01 AID-05 CIEP-01 SS-15 STR-04

TAR-01 TRSE-00 USIA-06 PRS-01 SP-02 OMB-01 OIC-02

/134 W

----- 124637

P R 211741Z MAY 75

FM AMEMBASSY NEW DELHI

TO SECSTATE WASH DC PRIORITY 8823

INFO AMEMBASSY ALGIERS

AMEMBASSY COLOMBO

AMEMBASSY JAKARTA

AMEMBASSY KUALA LUMPUR

AMEMBASSY MANILA

AMEMBASSY NAIROBI

AMEMBASSY TEHRAN

US MISSION OECD PARIS 1312

AMEMBASSY ISLAMABAD

AMCONSUL BOMBAY

AMCONSUL CALCUTTA

AMCONSUL MADRAS

C O N F I D E N T I A L NEW DELHI 6799

E.O. 11652: GDS

TAGS: PFOR, PORG, EGEN, UNGA, UN, IN

SUBJ: SECRETARY'S SPEECH ON ENERGY AND RAW MATERIALS AND
UNGA SPECIAL SESSION

REF: (A) STATE 112992 (B) STATE 110686 (C) NEW DELHI 6512

SUMMARY: WE HAVE TALKED TO THE APPROPRIATE GOI OFFICIALS ABOUT
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 NEW DE 06799 211417Z

THE SECRETARY'S KANSAS CITY SPEECH AND ABOUT THE FORTHCOMING UNGA

SPECIAL SESSION. INDIA LIKES OUR STEP FORWARD ON COMMODITIES AND HAS HOPE FOR SUCCESS AT A RENEWED PREPCON. IT RECOGNIZES THAT IT IS AN ATYPICAL G-77 MEMBER, IS PRIVATELY SKEPTICAL ABOUT INDEXING, AND WANTS MODERATE G-77 POSITIONS, BUT IT WILL VOTE WITH THE G-77. WE WILL WELCOME STAFFED OUT POSITIONS WITH WHICH WE MAY CARRY ON A MORE SUBSTANTIVE DIALOGUE AND SEE HOW THE INDIANS VIEW SPECIFIC ISSUES. END SUMMARY.

1. CHARGE, ACCOMPANIED BY ACTING ECONOMIC COUNSELOR, CALLED MAY 20 ON B.K. SANYAL, SECRETARY, ECONOMIC AFFAIRS, MINISTRY OF EXTERNAL AFFAIRS, AND LATER THAT DAY ON M.G. KAUL, SECRETARY, DEPARTMENT OF ECONOMIC AFFAIRS, MINISTRY OF FINANCE, TO DISCUSS SECRETARY'S KANSAS CITY SPEECH (STATE 110686) AND UNGA SPECIAL SESSION (STATE 112992).

2. DRAWING ON THE SECRETARY'S SPEECH, CHARGE STRESSED FORWARD STEP IN OUR THINKING ON COMMODITIES AND RELATED PROBLEMS. WHILE WE STILL THINK THERE SHOULD BE DIRECT ACCESS TO THE APPROPRIATE MULTILATERAL FORUMS, WE ARE WILLING TO HAVE A BROADER PRODUCER/CONSUMER CONFERENCE CONSIDER WAYS THE SPECIALIZED BODIES CAN BEST DEAL WITH SUCH PROBLEMS. THERE IS A NEW EMPHASIS IN OUR POLICY ON ECONOMIC DIPLOMACY THROUGH MULTILATERAL ORGANIZATIONS. SANYAL WELCOMED A RENEWED PRECON AND ASKED IF THIS MEANT U.S. NOW WILLING TO HAVE NEGOTIATIONS ON COMMODITY PROBLEMS INCLUDED IN PRODUCER/CONSUMER CONFERENCE AGENDA. CHARGE REPLIED THAT WE WERE WILLING TO HAVE CONFERENCE CONSIDER HOW THESE PROBLEMS COULD BEST BE DEALT WITH. HOWEVER, HE STRESSED WE STILL BELIEVED NEGOTIATIONS SHOULD TAKE PLACE IN EXISTING SPECIALIZED BODIES. THE PRODUCER/CONSUMER CONFERENCE AND THE UNGA SPECIAL SESSION SHOULD DEAL WITH ISSUES MORE BROADLY AND ATTEMPT TO DETERMINE WHERE CONSENSUS EXISTS AND IN GENERAL HELP GUIDE THE SPECIALIZED GROUPS. WHILE SANYAL PURSUED THE DISCUSSION WITH SOME ENTHUSIASM, POINTING OUT ALONG THE WAY HIS BELIEF THAT DCS. MUST CONCEDE SOMETHING ON COMMODITIES IF PRODUCER/CONSUMER CONFERENCE AND SPECIAL SESSION ARE GOING TO ACCOMPLISH ANYTHING, KAUL CONTENTED HIMSELF TO RESPONDING THAT INDIA WOULD PARTICIPATE IN A RENEWED PRECON. KAUL GUARDEDLY ENDORSED NEGOTIATIONS ON SUBSTANCE TAKING PLACE IN THE APPROPRIATE SPECIALIZED BODIES.

3. ON THE U.S. SUGGESTED AGENDA ITEMS FOR THE UNGA SPECIAL SESSION, (PARA. 5 STATE 112992), SANYAL COMMENTED THE ITEMS WERE VERY BROAD AND GENERAL. HE THOUGHT IT COMPATIBLE WITH GROUP OF 77 AGENDA. WE RESPONDED BOTH AGENDA DEAL WITH SAME AREA, BUT WE HAD TROUBLE WITH THE PRECONCEPTIONS INVOLVED IN G-77 FORMULATION. SANYAL QUESTIONED WHY THE FOURTH ITEM WAS "PROBLEMS OF THE POORER DEVELOPING COUNTRIES" RATHER THAN OF THE MSAS. HE REMINDED US THAT THIS HAD BEEN INDIA'S OVERRIDING CONCERN AT THE PARIS PRECON AND WOULD CONTINUE TO BE. KAUL MADE NO COMMENT ON

CONFIDENTIAL

PAGE 03 NEW DE 06799 211417Z

CONFIDENTIAL

THE AGENDA.

4. WHILE KAUL WAS MORE RESERVED, BOTH HE AND SANYAL CONFIRMED THAT WHILE INDIA IS A MEMBER OF THE G-77, THEY RECOGNIZE INDIA OCCUPIES A SPECIAL AND OFTEN UNCOMFORTABLE ROLE IN IT. THEY BOTH AGREED THAT INDIA AS A RAW MATERIAL IMPORTER AND A COUNTRY EMPHASIZING FINISHED GOODS EXPORTS, OFTEN HAS DIFFERENT INTERESTS THAN MOST G-77 COUNTRIES. SANYAL SAID THAT THE U.S. SHOULD NOT BE CONCERNED ABOUT INDIA'S POSITIONS. THEY ARE BASED ON INDIA'S INTERESTS AND ARE MODERATE. INDIA WORKS TO GET REASONABLE POSITIONS BY THE G-77 BUT AS A MEMBER OF THAT BODY, MUST STICK WITH IT IN VOTING. HOWEVER, HE ADDED WE SHOULD UNDERSTAND THAT INDIA'S VOTES DO NOT NECESSARILY REPRESENT ITS THINKING."

5. SANYAL SAID HE WAS PERSONALLY DUBIOUS ABOUT INDEXING. IT WOULD NOT BE IN INDIA'S INTEREST, FOR EXAMPLE, TO INDEX TEA SINCE THE HIGH ELASTICITY OF SUBSTITUTION WOULD FOR IT WOULD ONLY DESTROY INDIA'S TEA EXPORTS. KAUL RECOGNIZED THE TECHNICAL PROBLEMS AND COMPLEXITIES INVOLVED IN INDEXING AND AGREED THAT THE ONE SUCCESSFUL CASE OF INDEXING -- OIL -- HAD NOT BEEN IN INDIA'S INTEREST.

6. THE CHARGE' LAID CONSIDERABLE STRESS ON THE ADVANTAGES TO INDIA OF THE PROPOSAL IN THE SECRETARY'S SPEECH TO HAVE THE WORLD BANK BECOME MORE INVOLVED IN FINANCING RAW MATERIAL DEVELOPMENT. NEITHER SANYAL NOR KAUL RESPONDED WITH MUCH ENTHUSIASM, PROBABLY BECAUSE WE DIDN'T HAVE DETAILS TO CAPTURE THEIR IMAGINATIONS.

7. THE CONVERSATIONS WERE HOPEFUL BUT NECESSARILY GENERAL. WE ARE CONFIRMED IN OUR BELIEF (NEW DELHI 6512) THAT WE CAN GET HELP FROM INDIA, AT LEAST AT THE SENIOR TECHNICAL LEVEL. IF THE DEPARTMENT WILL SEND US STAFFED OUT POSITIONS AS THEY ARE DEVELOPED, WE'LL TALK THEM OVER WITH THE GOI. IT IS ONLY AFTER WE
CONFIDENTIAL

CONFIDENTIAL

PAGE 04 NEW DE 06799 211417Z

HAVE SUCH POSITIONS TO PRESENT THAT WE WILL BE ABLE TO KNOW HOW LARGE ARE OUR AREAS OF AGREEMENT -- AND DISAGREEMENT -- WITH THE INDIANS.
SCHNEIDER

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: POLICIES, RAW MATERIALS, ENERGY, NATURAL RESOURCES, SPEECHES
Control Number: n/a
Copy: SINGLE
Draft Date: 21 MAY 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: GolinoFR
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975NEWDE06799
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D750180-0978
From: NEW DELHI
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750531/aaaabcbe.tel
Line Count: 158
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION IO
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 75 STATE 112992, 75 STATE 110686, 75 NEW DELHI 6512
Review Action: RELEASED, APPROVED
Review Authority: GolinoFR
Review Comment: n/a
Review Content Flags:
Review Date: 16 MAY 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <16 MAY 2003 by CunninFX>; APPROVED <19 MAY 2003 by GolinoFR>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: SECRETARY'S SPEECH ON ENERGY AND RAW MATERIALS AND UNGA SPECIAL SESSION
TAGS: PFOR, PORG, EGEN, IN, UNGA, UN
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006